

VZCZCXRO1751
PP RUEHPB
DE RUEHWL #0286/01 1030326
ZNY CCCCC ZZH
P 130326Z APR 06
FM AMEMBASSY WELLINGTON
TO RUEHC/SECSTATE WASHDC PRIORITY 2652
INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 0303
RUEHBY/AMEMBASSY CANBERRA PRIORITY 4375
RUEHBUL/AMEMBASSY KABUL PRIORITY 0021
RUEHPB/AMEMBASSY PORT MORESBY PRIORITY 0560
RUEHKO/AMEMBASSY TOKYO PRIORITY 0592
RUEHIN/AIT TAIPEI PRIORITY 0061
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY
RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC PRIORITY
RHHJJAA/JICPAC HONOLULU HI PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000286

SIPDIS

NOFORN
SIPDIS

STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP
NSC FOR VICTOR CHA
SECDEF FOR OSD/ISA LIZ PHU
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 04/13/2016

TAGS: [PGOV](#) [PREL](#) [XB](#) [NZ](#)

SUBJECT: A/S HILL'S MEETINGS WITH PM CLARK AND FM PETERS

REF: WELLINGTON 167

Classified By: Acting DCM Katherine Hadda,
for reasons 1.4 (b) and (d)

¶1. (C) Summary: During separate March 20 meetings with Prime Minister Clark and Foreign Minister Peters in Wellington, EAP Assistant Secretary Christopher R. Hill encouraged the United States and New Zealand to work together in areas such as the Pacific Islands and Afghanistan. Prime Minister Clark shared her pessimism about the Philippines and frustration with UN criticism on New Zealand's Foreshore and Seabed legislation, and said she believes Russia should not participate in the East Asian Summit unless the U.S. does as well. Minister Peters said he welcomed the chance for US-New Zealand cooperation in the Pacific, particularly given China's negative role there. Peters hinted New Zealand would soon announce an extension of its Provincial Reconstruction Team in Afghanistan (they did so on April 10), and said he hopes to visit Washington in early July. End Summary.

Prime Minister Clark

¶2. (C) Ambassador Hill opened by conveying the Secretary's greetings. PM Clark said she was glad to have had the chance to meet with the Secretary on the margins of President Bachelet's inauguration in Santiago. Discussing the other part of her recent travels, PM Clark said she had been discouraged to see the Philippines is much as it was when she visited there nineteen years ago. She questioned President Arroyo's claim of an attempted "rebellion," as well as the quality of the country's judicial process. The Philippines is, however, New Zealand's eighth largest market, and as its population is doubling every 20 years so will its food and drinks imports.

¶3. (C) A/S Hill said that soon after the alleged coup attempt, he had met with Arroyo and told her Washington would closely look at any crackdown. She lifted the state of emergency soon after. At least Mindinao is looking like a success, as a joint US-Philippines team should be able to

drive JI terrorists out of the Philippines.

¶4. (C) A/S Hill summarized the Secretary's recent meetings in Australia, noting in particular her explanations concerning the recent U.S.-India civilian nuclear agreement. He recognized that New Zealand might have questions, as do Australia and Japan, about the agreement's implications for the Non-Proliferation Treaty (NPT). Prime Minister Clark acknowledged New Zealand has concerns, but said the question is how best to draw India into disciplines they've resisted until now. A/S Hill said that the negotiations had been difficult. While it was a tough call, the U.S. believes it is best to work on keeping India's nuclear energy technology separate from its weapons program, and to provide India with the safest energy technology available. A/S Hill added that IAEA DG El Baradei supports the US-India agreement.

¶5. (C) The Prime Minister said she appreciates U.S. support (with Australia) for New Zealand's position on the UN Draft Declaration on the Rights of Indigenous Peoples. She disparaged the role of both the UN Human Rights regime and the NGOs that had influenced it in writing the UN's "silly" report on New Zealand's Foreshore and Seabed Legislation. It's possible the creation of the new Human Rights Council will bury the issue, she added hopefully.

¶6. (C) The Cartagena Protocol is another area in which we are cooperating closely, Clark said, explaining that, unlike the United States and Australia, New Zealand had decided to accede to the Protocol to prevent the EU from using it to

WELLINGTON 00000286 002 OF 003

initiate trade distorting restrictions. New Zealand's position has not been popular with environmental NGOs, she added, but Brazilian President Lula has been a close ally.

¶7. (C) PM Clark said while in Manila she had been unsuccessful in eliciting the Philippine's goals as host of both the ASEAN and East Asian Summits, and guessed this might be because the GOP had not yet worked its strategy out. She described ASEAN as being in "a bit of a corner" about the EAS, and said it was not clear whether Russia was invited or not. President Putin had not been pleased, she said, to have been only allowed to stay for 20 minutes at the first EAS. Clark said New Zealand believed it would be hard to admit Russia without also admitting the United States. She also said that ASEAN must drive the process. However now that ASEAN has chosen to expand the EAS, China seems to want to make it insignificant by pushing for the doors to be opened as wide as possible. New Zealand is watching all this very closely.

¶8. (C) A/S Hill said that it would be difficult for the United States to participate in both the APEC and EAS summit meetings. It might be better for us to consider EAS observer status, he said. A/S Hill noted that the Secretary has agreed to attend the ASEAN Post-ministerial meeting in KL in July. Clark said that it was sometimes important to follow form, even if relatively meaningless on the surface. New Zealand had for this reason agreed to ratify the Treaty of Amity and Cooperation, she said. It made no real difference to relations with ASEAN, but a failure to sign likely would have. ASEAN is important, Clark said, and with 500 million people and a large Muslim population it offers a strong counter to China and India. A/S Hill agreed, noting that there is little understanding of ASEAN among Americans. When for example the President meets with the seven ASEAN members of APEC, the U.S. press mistakenly calls it a meeting with ASEAN. PM Clark joked that it might be best to call the seven "ASEAN minus three." She added that it was the "minus three" who had most pushed for Russian participation

in the East Asian Summit.

Foreign Minister Peters

¶9. (C) Joking that the "Pacific" is inaccurately named, Peters said the Solomons, Fiji, and PNG are all "points of anxiety" for New Zealand. He said he is trying to get Pacific Island leaders to understand that they need to look after their entire countries and not just their families. A/S Hill said the United States is looking for ways to help the Pacific Islands, but our resources are limited. After seeing how much work was needed to get a Millenium Challenge compact for Vanuatu, with a population of two hundred thousand, the U.S. is now looking at regional programs as a better means of assistance. A/S Hill said he had earlier discussed with Ministry of Foreign Affairs and Trade (MFAT) officials possible joint US-NZ work in the Islands (septel). Peters agreed we'd get more mileage from working together, including with China.

¶10. (C) The Chinese are working at cross purposes with the U.S. and New Zealand in the Pacific Islands, said Hill: they are after raw materials, not good governance. Competition with Taiwan for regional diplomatic recognition is another complicating factor. Peters agreed China is playing a negative role. "They can make small nations feel important," he said. He asked whether China is being a helpful partner in the Six Party Talks. A/S Hill said that he has been urging the Chinese to lay down a strong line with the DPRK. So far, however, they seem to believe friendly persuasion will work. It won't, Hill concluded.

WELLINGTON 00000286 003 OF 003

¶11. (C) Peters said he hopes the United States and New Zealand can do more together, adding he and the Ambassador have established a good working relationship. A/S Hill said that he and MFAT staff had agreed we should seek more areas of cooperation, even given the parameters created by New Zealand's anti-nuclear legislation. Afghanistan is just one example. Peters said New Zealand is proud of its Provincial Reconstruction team in Bamiyan, and he indicated GNZ would soon announce the team's extension.

¶12. (C) Peters noted the irony of New Zealand's anti-nuclear position, as the atom was first split by Kiwi Sir Ernest Rutherford. A/S Hill said he understood New Zealand's policy, but wondered if the country's energy needs would eventually force a rethink. Peters said he was closely following the efforts of the United States and others to develop safe nuclear technology. "If you succeed, the whole world will cheer," he said. We must put the past behind us, said Peters, noting that former Ambassador Swindell's call for a new dialogue "was key to us." New Zealand does not want to export its nuclear policy, and over time science may change New Zealand's anti-nuclear views. For now, however, the policy is a political reality.

¶13. (C) The Ambassador said the lack of Kiwi reporters in Washington has a negative impact on the way U.S. issues are covered in the New Zealand media. Peters agreed, adding that the local press generally takes a "dog in the manger" approach to reporting. There's no investment in high quality journalists, he complained, and they are paid too little.

¶14. (C) Peters said he hopes to visit the United States around July 10. He and Ambassador Hill agreed both countries' embassies would work together to ensure a successful visit.

